The Disinvestment Commission in its VIII Report on Air India interalia has recommended infusion of Government equity of Rs.1000 crores and induction of a strategic partner on the basis of global bids. The recommendations of the Commission are under consideration of the Government.

Upgradation of Amritsar Airport

932. SHRI SUKHDEV SINGH LIBRA:
SHRI GURCHARAN SINGH TOHRA:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the State Government of Punjab has acquired and handed over to the Airport Authority of India, land for the extension of the runway and terminal buildings for upgrading the existing Amritsar Airport to International standards;

(b) whether the work on this project has been started:

(c) the amount spent in this regard so far; and

(d) by when the work is likely to be completed?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) Yes, Sir.

(b) to (d) The Airports Authority of India (AAI) has prepared a feasibility report, for developing Amritsar airport to International standards which is under consideration of the Government.

Average yield of Indian Airlines

933. SHRI SANTOSH BAGRODIA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Indian Airlines yield per kilometer is 50% higher than many international airline; if so, the details of yield of different International airlines including Indian Airlines and Air India; and

(b) whether Government plan to make Indian Airlines more viable in the interest of the travelling public?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) No, Sir.

(b) The following steps have been taken to make Indian Airlines more viable in the interest of the travelling public:

(i) Increased utilisation of Aircraft through:
— Increased productivity of Commanders.
— Increased availability of Commanders.
— Increased aircraft per day as a result of increased productivity of engineers.
— Launching of Alliance Air.
(ii) Attracting passengers by:
— Product improvement.
—Innovative and aggressive marketing strategies.
—Improved on-time performance.
—Dissemination of information about strength of the company.
—Attention towards safety of aircraft as well as passengers.

Financial performance of Air India

934. SHRI S.M. KRISHNA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Air India's performance during the recent years has been quite dismal; if so, the details of financial performance during the last two years and the loss Air India is likely to incur during the current financial year;

(b) whether Air India has sought a bailout package from Government to save it from total collapse;

(c) if so, the details of such package;

(d) the precise reason for Air India's failure in recent past and the steps taken by management to improve its performance; and

(e) the action Government have taken on the package submitted to it by Air India?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) to (e) The details of losses incurred by

Air India during the last two years and the current financial year are as under:—

Year	Loss (Rs. in crores)
1996-97	296.94
1997-98	181.01
1998-99 Prov. (April—Sept. 98)	129.08 Estimated

The losses are due to increase in expenditure on account of interest and depreciation on new aircraft, reduction in yield due to increased competition and cost of operations, increase in wage bill and other staff costs and landing, handling and navigational charges, depreciation of rupee value, etc.

Air India Limited has taken the following steps to improve the performance:—

(i) Marketing efforts have been stepped up to generate additional revenue.

(ii) Network rationalization and consolidation with emphasis placed on route profitability.

(iii) Reduction in expenditure on outside repairs of aircraft by under taking more in-house repairs.

(iv) Several posts of India based officers abroad have been abolished.

The Government has also constituted a Committee of experts under the Chairmanship of Dr. Vijay Kelkar, at present Finance Secretary, Government of India to undertake a comprehensive examination of the reasons for the losses incurrred by the Air India and to suggest strategies for turning around the company.

Air India have sought infusion of capital by the Government. The Disinvestment Commission in its VIII Report on Air India has, inter-alia, recommended infusion of Government equity of Rs. 1000 crores and induction of strategic partner on the basis of global bids. The recommendations of the Commission are under consideration of the Government.

Installation of Raytheon Radar System at Delhi and Mumbai

935. SHRI PREM CHAND GUPTA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the Raytheon SAR RADAR System does not fulfil the requirements of the ATC as alleged by the ATC Union;

(b) whether it is also a fact that only a part of the equipment has been installed and not the entire system; and

(c) if so, what is the latest position on the system at Mumbai and Delhi?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) The entire Airport Surveillance Radar System (ASR) has been installed by M/s Raytheon at Delhi and Mumbai airports as per specifications. It meets all the requirements of Air Traffic Control as confirmed during the factory test site test and flight checks after installation.

(b) The entire system has been installed at both sites at Delhi and Mumbai.

(c) The equipment functions as per specifications both at Delhi and Mumbai.

Voluntary Retirement Scheme in Air India

936. SHRI J. CHITHARANJAN:
SHRI GURUDAS DAS GUPTA:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Air India has evolved a voluntary retirement scheme (VRS) in order to reduce its staff strength and financial loss; and

(b) if so, the estimated number of surplus staff and how many of them are expected to accept the VRS and the expected total cost thereon?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) and (b) Air India has not yet taken a final decision to introduce the Voluntary Retirement Scheme.